

533.201 Organization.

1. In order to simplify the organization of state credit unions, the superintendent shall cause to be prepared an approved form of articles of incorporation and a form of bylaws, consistent with this chapter, which shall be used by state credit union incorporators.

2. a. A group comprised of at least seven residents of the state of Iowa may apply to the superintendent for permission to organize a state credit union.

b. A state credit union shall be organized by delivering to the superintendent articles of incorporation that state all of the following:

(1) The name and location of the proposed state credit union.

(2) The names and addresses of the subscribers to the articles and the number of shares subscribed to by each.

(3) The share structure of the state credit union. A state credit union may have more than one class of shares. The par value of the shares of the state credit union shall be established by the board of directors.

3. The applicants shall prepare and adopt bylaws for the general governance of the state credit union consistent with the provisions of this chapter.

4. The articles and the bylaws, both executed in duplicate, shall be forwarded with a fee of ten dollars to the superintendent.

5. a. The superintendent shall determine whether the articles and bylaws conform to the provisions of this chapter within thirty days of receipt.

b. The superintendent shall notify the applicants of the determination after review of the articles and bylaws.

c. If the decision is favorable, the superintendent shall issue a certificate of approval, which shall be attached to the duplicate articles of incorporation and returned, together with the duplicate bylaws, to the applicants.

d. Articles and bylaws approved by the superintendent shall be binding upon the applicants and the board of directors of a state credit union. If the board of directors does not follow the articles of incorporation and bylaws, the members of the state credit union may pursue a derivative action in Iowa district court.

6. a. The applicants shall file the duplicate of the articles of incorporation and the attached certificate of approval with the county recorder of the county within which the state credit union is to have its principal place of business.

b. The county recorder shall record and index the duplicate of the articles of incorporation and the attached certificate of approval and return the articles of incorporation and the certificate of approval, with the recorder's certificate of record attached, to the superintendent for permanent record.

7. Articles of incorporation may be amended by a favorable vote of a majority of the members present at a meeting, if that number constitutes a quorum and if the proposed amendment was contained in the notice of the meeting.

8. Bylaws may be amended by any of the following methods:

a. The favorable vote of a majority of the members present at a meeting, if that number constitutes a quorum and if the proposed amendment was contained in the notice of the meeting.

b. The favorable vote of a majority of the members of the board.

c. By a majority vote of members voting by mailed or electronic ballot, ensuring the confidentiality of voters, according to procedures specified by rule of the superintendent, requiring at least twenty days' notice to all members. An announcement shall be made to members of the results of the vote. Ballots shall be preserved for a reasonable period of time following the vote.

d. A combination of procedures as specified in paragraphs "a" and "c", whereby members are allowed to vote either in person at a meeting or by mailed or electronic ballot, according to procedures specified by rule of the superintendent. If the proposed amendment receives a favorable majority of the total votes cast in person and by mailed or electronic ballot, the bylaws shall be amended.

9. An amendment to the articles of incorporation or bylaws must be approved by the superintendent before the amendment becomes effective.

10. The original articles or amended articles may contain a provision eliminating or limiting the personal liability of a director, officer, or employee of the state credit union or its shareholders for monetary damages for breach of fiduciary duty as a director, officer, or employee, provided that the provision does not eliminate or limit the liability of a director, officer, or employee for any breach of the director's, officer's, or employee's duty of loyalty to the state credit union or its shareholders, for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, or for any transaction from which the director, officer, or employee derives an improper personal benefit. However, a provision shall not eliminate or limit the liability of a director, officer, employee, or shareholder for any act or omission occurring prior to the date when the provision in the articles of incorporation becomes effective.

2007 Acts, ch 174, §18